RESOLUTION NO. RS2020-455

A resolution requesting the Director of Public Works and the Department of Law to declare Red River Service Corporation and Red River Waste Solutions, LP to be in breach of contract, to rebid Red River's contracts for waste collection, and to include stronger enforcement and penalty provisions as part of the Request for Proposals and resulting contract(s).

WHEREAS, Red River Services Corporation ("Red River") provides certain solid waste collection services for Metro as set forth in the Contract to Provide Collection Services for Solid Waste dated July 27, 2004 ("Contract"); and

WHEREAS, the Contract was amended and extended in May 2013 pursuant to Resolution No. RS2013-704 to (i) reduce the curbside unit price for the semi and fully automated services; (ii) extend the term of the Contract by Metro's exercise of the first and second renewal options granted in the Contract for a term expiring November 30, 2024; (iii) provide Red River the ability to exercise discretion in the repair and replacement of its Service Vehicles; and (iv) delete the waiver of the CPI adjustment for a one year time period; and

WHEREAS, Resolution No. RS2018-1381 approved a separate contract with Red River Waste Solutions, LP for weekly collection of waste at approximately 7,200 addresses for a portion of Council districts that had recently been annexed into the urban services district; and

WHEREAS, Red River has been paid in excess of \$23,000,000 since 2017 for waste collection services to Metro; and

WHEREAS, over the past several years, Red River has consistently failed to perform in accordance with the contractual requirements, including the failure to pick up trash to 25,783 households and 2,893 complaints since 2017; and

WHEREAS, Section 2.13 of the Contract provides that Red River's failure to remedy the cause of complaints constitutes a material breach of the Contract and an event of default if the failure to perform occurs in a consistent manner; and

WHEREAS, the Department of Public Works and the Department of Law have sent repeated letters to Red River, as well as phone calls and meetings, regarding Red River's failure to perform its contractual obligations. Examples of such communications include:

- January 9, 2017 Letter to Red River regarding default
- September 9, 2019 Letter to Red River on default
- October 1, 2019 Letter to Red River regarding liquidated damages and the withholding of \$285,500
- November 13, 2019 Action Plan submitted by Red River
- November 20, 2019 Meeting to discuss improvement plan
- April 20, 2020 Letter to Red River regarding default
- May 6, 2020 Letter from Red River stating they should not be in default and provided an updated copy of the 11/13/19 Action Plan
- May 15, 2020 Conference call with Red River
- May 22, 2020 Letter to Red River requiring contract negotiations prior to rerouting

- June 26, 2020 Letter to Red River withholding \$108,500
- June 29, 2020 Letter to Red River regarding an insufficient number of Red River trucks to adequately service their assigned routes; and

WHEREAS, it is in the best interest of the residents and businesses of Davidson County that Metro's contractual relationship with Red River be terminated and that a new contract for services with other provider(s) be procured.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That the Metropolitan County Council hereby goes on record as requesting the Director of Public Works and the Department of Law to declare Red River Service Corporation and Red River Waste Solutions, LP to be in breach of contract, to rebid Red River's contracts for waste collection, and to include stronger enforcement and penalty provisions as part of the Request for Proposals and resulting contract.

Section 2. The Metropolitan Clerk is directed to send a copy of this Resolution to the Director of the Metropolitan Department of Public Works and the Director of Law.

Section 3. This Resolution shall take effect from and after its adoption, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

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METROPOLITAN COUNTY COUNCIL

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Introduced_	JUL	21	2020	
Amended	<u>-</u>			
Adopted	JUL	21	2020	
Approved_	JUL	22	2020	
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